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L0185504

Oil & Gas Lease

(Paid-up Lease)

This Oil and Gas Lease (this "Lease") is made on April 4, 2008 between the following parties (collectively called "Lessor")

BURLESON FIVE STAR PROPERTIES, LLC PO BOX 1088, BURLESON, TEXAS. 76028, Lessor

7697
AND CHESAPEAKE EXPLORATION, LLC, whose address is PO Box 18496
Oklahoma City, OK 76097, Lessee
73/54

1. **Grant.** In consideration of Ten Dollars (\$10.00) and other valuable consideration in hand paid, Lessor, grants and leases exclusively unto Lessee the following described land (the "Land") in Johnson County, Texas for the sole purpose of exploring, drilling, and producing, save, treat, process, store, and transport oil and gas and other products manufactured from oil and gas produced from the Land: Land in Tarrant County, Texas.

Being 22.06 acres of land, more or less, out of the Sarah Gray Survey, Abstract No, 558, Tarrant County, Texas, and further described in a Warranty Deed with Vendor's Lien dated November 24, 1998, from Carol G Rhodes to Burleson Five Star Properties, LLC and recorded under Clerks File No. D198279430, Tarrant County, Texas.

- 2. **Primary Term**. This Lease is for a term of two years this date (called "Primary Term") and so long thereafter as oil or gas is produced from the Land in paying quantities.
- 3. **Minerals Covered**. This Lease covers oil and gas only. The term "oil and gas" means, oil, gas, and other liquid and gaseous hydrocarbons produced through a well bore.
- 4. Royalty. (a) As Royalties, Lessee Agrees:
- i. To deliver free of cost to Lessor at the wells or to the credit of Lessor at the pipeline to which the wells may be connected, 25% (the "Royalty Fraction") of all oil and other liquid hydrocarbons produced and saved from the Land.
- ii. To Pay to Lessor"
 - 1. On gas produced and saved from the Land and sold by Lessee or used on or off the Land and to which the following subparagraphs (2) and (3) do not apply, the Royalty Fraction of the market value at the point of sale, use, or other disposition.
 - 2. On gas produced and saved from the Land that is processed in a processing plant in which Lessee or an affiliate of Lessee has a direct or indirect interest, the higher of the Royalty Fraction of the market value of the gas at the inlet to the processing plant, or the Royalty Fraction of the market value of all processed liquids saved from the gas at the plant plus the Royalty Fraction of the market value of all residue gas at the point of sale, use, or other disposition.

- 3. On gas produced and saved from the Land that is processed in facilities other than a processing plant in which Lessee or an affiliate of Lessee has a direct or indirect interest, the Royalty Fraction of the market value at the plant of all processed liquids credited to the account of Lessee and attributable to the gas plus the Royalty Fraction of the market value of all residue gas at the point of sale, use, other disposition.
- (b) The market value of gas will be determined at the specified location by reference to the gross heating value (measured in British thermal units) and quality of the gas, The market value used in the calculation of oil and gas royalty will never be less than the total proceeds received by lessee in connection with the sale, use, or other disposition the oil or gas produced or sold. For purpose of this paragraph, if Lessee receives from a purchaser of oil or gas any reimbursement for all or any of severance of production taxes, or if Lessee realizes proceeds of production after deduction for any expenses of production gathering, dehydration, separation, compression, transportation, treatment, processing, storage, or marketing, then the reimbursement of the deductions will be added to the total proceeds received by lessee. Royalty will be payable on oil and gas produced on oil and gas produced from the Land and consumed by Lessee on the Land for compression, dehydration fuel, or other use.
- (c) Lessor's royalty will never bear, either directly or indirectly, any part of the costs or expenses of production, separation, gathering, dehydration, compression, transportation, trucking, processing, treatment, storage, or marketing of the oil or gas produced from the Land or any part of the costs of construction, operation, or depreciation of any plant or other facilities or equipment used in the handling of oil or gas.
- (d) If gas produced from the Land is sold by Lessee pursuant to an arms-length contract with a purchaser that is not an affiliate of Lessee, and the contract provides for net proceeds to be paid to Lessee that equal or exceed the market value of the gas at the point of delivery to the purchaser, and for a term no longer than which is usual and customary in the industry at the time the contract is made, then the market value of the gas sold to the contract shall be the total proceeds received by Lessee in the sale, subject to the provisions of paragraph 4 (b) above.
- (e) Lessor shall be paid the Royalty Fraction of all payments and other benefits made under any oil & gas sales contract or other arrangement, including take-or-pay payment or similar payment for gas that has not been produced, and if the gas is subsequently produced, Lessor will only receive its Royalty Fraction of any payments made for make-up gas taken pursuant to the take-or-pay provision or similar provisions.
- (f) Lessee must disburse or cause to be disbursed to Lessor its royalty on production from a particular well not later than 120 days from the first production after completion of the well, in the case of an oil well, or after the pipeline connection, in the case of a gas well. Thereafter, Lessee must disbursed to Lessor its royalty on production by the last day of the second month after the month of production, If not paid when due, Lessor's royalty will bear interest at the maximum lawful rate from due until paid, which amount Lessee agrees to pay, and if not paid within 180 days after due date this Lease will terminate, Acceptance by Lessor of royalties that are past due will not act as a waiver or estoppel of its right to receive interest due thereon unless Lessor expressly so provides in writing signed by Lessor. The royalty payment obligations under this Lease shall not be affected by any division order or the provisions of the Section 91.402 of the Texas Natural Resources Code or any similar statute.
- (g) As used in this Lease, "affiliate" means (1) a corporation, joint venture, partnership, or other entity that owns more than ten percent of the outstanding voting interest of Lessee or in which Lessee owns more ten percent of the outstanding voting interest of Lessee or in which Lessee owns more ten percent of the outstanding voting interest: or (ii) a corporation, joint venture, partnership, or other entity in which, together with Lessee, more than ten percent of the outstanding voting interests of

- both Lessee and the other corporation, joint venture, partnership, or other entity is owned or controlled by the same persons or group of persons.
- (h) The receipt by Lessee from a purchaser or a pipeline company of proceeds of production for distribution to Lessor will not result in Lessee acquiring legal or equitable title to those proceeds, but lessee will at all time hold the proceeds in trust for the benefit of Lessor, Notwithstanding the insolvency, bankruptcy, or other business failure of a purchaser of production from the Land or pipeline company transporting production from the Land, Lessee will remain liable for payment to Lessor for, and agrees to pay Lessor all royalties due Lessor together with interest if not timely paid.
- 5. Shut-in Royalty. While the is a gas well on this Lease or on acreage pooled therewith capable or producing in paying quantities, but gas is not being sold, Lessee shall pay or tender in advance an annual shut-in-royalty of 20.00 dollars per acre, for each well from which gas is not being sold. Payment with respect to a well will be due within 60 days after the well is shut-in. While shut-in royalty payments are timely and properly paid, this Lease will be held as a producing lease, The right of Lessee to maintain this Lease in force by payment of shut-in gas royalty is limited to the period of two years following the expiration of the Primary Term. The obligation of Lessee to pay shut-in royalty is a condition and not a covenant, The payment or tender of royalty under this paragraph may be made by the check of Lessee mailed or delivered to the parties entitled thereto on or before the due date.
- 6. Continuous Development. (a) If, at the expiration of the Primary Term, oil or gas is not being produced from the Land, but Lessee has commenced the drilling of a well on the Land, the Lease will not terminate but will remain in effect for so long thereafter as operation are carried out with due diligence with no cessation of more that 60 days, and if the operations result in the production of oil or gas, the Lease shall remain in force as otherwise provided herein. For the purposes of this Lease, the term "operations" means operations for any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back, or repairing of a well in search for or in the endeavor to obtain production of oil or gas.
- (b) If this Lease is maintained beyond the expiration of the Primary term by production or otherwise, it will remain in force as to all acreage and depths as long as there is no lapse of more that 180 days between the completion of one well and the commencement of the actual drilling of another well. The commencement of actual drilling means the penetration of the surface with a drilling rig capable of drilling to the anticipated total depth of the well. After a well is commenced, drilling operations must continue in a good and workmanlike manner in a good faith effort to reach the anticipated total depth with no cessation of operations for more than 60 consecutive days. A well will be deemed to have been completed 30 days after fracturing activities have occurred on the well. The permitted time between wells shall be cumulative so that if a well is commenced prior to the date it is required to be commenced, the number of days prior to the date on which the well should have been commenced shall be added to the time permitted for the next well.
- drilling of a well expires without the commencement of the well, or upon the expiration of the Primary Term if the Lease is not maintained by continuous drilling, this Lease will terminate except as to the Retained Tract (defined below) surrounding any well that is then producing in paying quantities or deemed to be producing in paying quantities by virtue of payment of shut-in royalties, and as to each Retained Tract, the Lease will then terminate as to all depths below the stratigraphic equivalent of the base of the Barnett Shale formation on the Retained Tract. The Lease will be treated as a separate lease with respect to each Retained Tract and will continue so long as production in paying quantities continues from the tract. If production from a Retained Tract ceases from any cause, this Lease will terminate as to that tract unless Lessee commences operations for drilling or reworking on the tract within 60 days after the cessation of production, in

- which case the Lease as to that tract will continue in force as long as the operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in production, so long thereafter as there is production from the tract.
- (d) As used in this Lease, the term "horizontal well" means a well that meets the definition of a "horizontal drain hole well" under Statewide Rule 86 of the Railroad Commission of Texas, and a "vertical well" is a well that is not a horizontal well. The land assigned to a well for the purposes of this section is referred to as a "Retained Tract." A Retained Tract for a well may not exceed the minimum size required to obtain a drilling permit under the well density rules adopted by the Railroad Commission of Texas for the field, or if there are no field rules that apply, the Retained Tract shall be limited to the smallest size required to obtain a drilling permit under the statewide well density rules of the Railroad Commission of Texas. A Retained Tract for a vertical well producing from the Barnet Shale formation may not exceed 40 acres. If field rules are established later that permit obtaining a drilling permit with less acreage, a Retained Tract for a vertical well may not exceed the minimum size permitted. A Retained Tract for a horizontal well may include the minimum acreage specified above for a vertical well plus the additional acreage listed in the tables in Rule 86 (For Fields with d Density Rule of 40 Acres or Less) and must comply with the requirements of Rule 86 for minimum permitted well density and if the well is producing rom the Barnett Shale formation the acreage of the Retained Tract shall be assigned as if well density for verticals wells is 40 acres or less. Lessor and Lessee must agree upon the shape of Retained Tracts with the intent that each will be a compact, regular shape that will provide Lessor with the maximum acreage available, for oil and gas development. Subject to the preceding sentence, Lessor's approval of the shape of Retained Tracts will not be unreasonably withheld.
- (e) Within 60 days after the last to occur of the expiration of the Primary Term or the continuous drilling program, Lessee must file in the county records and furnish to Lessor a document designating each Retained Tract by metes and bounds and the retained depths there under, and releasing all other depths and acreage. A gas well that becomes an oil well will hold only, the acreage permitted for an oil well, and Lessee must file a redesignation for the Retained Tract in the Real Property Records of the county where the Land is located, If Lessee fails to file timely a document required by this paragraph after Lessor has provided 30 days prior written notice, then, Lessor may do so, and the filing will bind Lessee.
- Pooling. Lessee shall have the right to pool the Land with contiguous acreage to form pooled units for the production of gas. The acreage in a pooled unit may not exceed the amount that would be permitted for a Retained Tract composed of acreage lying entirely within the Land. A pooled unit for a horizontal well shall be configured so that the percentage of the Land that is included in the unit is not less than the percentage of that part of the horizontal drain hole that is located under the Land and in the producing formation. The unit will become effective when Lessee files in the Real Property Records of the county where the Land is located a document describing the pooled acreage and depths for the pooled unit. Lessee shall deliver a copy of the document to Lessor, Lessee may at its election exercise its pooling option before or after commencing operations. Operations for drilling on or production of oil or gas from any part of a pooled unit that includes land covered by this Lease shall be considered as operations on or production of oil or gas from the portion of the Land included in the pooled unit. That part of the Land included in a pooled unit will be considered to be a Retained Tract, and the provisions of this Lease that provide for termination of the Lease insofar as the Lease covers depths below the base of the Barnett Shale formation and other provisions relating to Retained Tracts shall apply. There shall be allocated to the Land included in the unit that prorated portions of the oil and gas, or either of them, produced from the pooled unit that the number of surface acres of the Land included in the unit bears to the total number of surface acres included in the unit. Royalties shall

- be computed on the portion of production allocated to the Land. Any unit formed may not be amended without the written consent of Lessor. No part of the Land may be included in a pooled unit unless all of the Land that is not then included in a Retained Tract for a producing well is included in the unit.
- Offset Wells. For purposes of this Lease, an "offsetting well" is a well that is producing oil or gas from adjacent or nearby land and is draining the Land. If an offsetting well is completed, Lessee must, within 180 days after the initial production from the offsetting well, commence operations for the drilling of an offset well, as would a reasonably prudent operator drill, on the Land and must diligently pursue those operations to the horizon in which the offsetting well is producing, or at the option of Lessee: (i) execute and deliver to Lessor a release in recordable form of the 40 acres nearest to the offsetting well: or (ii) pay Lessor a monthly royalty equal to the royalty that would be payable under this Lease if the production from the offsetting well had come from the Land. In the event acreage is released pursuant to (ii) above, the release will cover a tract of a size and shape that will permit the drilling of a well to the producing formation and the creation of a proration unit surrounding the well in compliance with the field rules for the field in which the offsetting well is located, but if there are no field rules, in compliance with the statewide rules of the Railroad Commission of Texas. A producing well located within 330 feet of the Land will be conclusively presumed to be draining the Land.
- 9. **Secondary Recovery**. Lessee will not implement any representing, pressure maintenance, recycling, or secondary recovery operations without the prior written consent of Lessor.
- 10. **Fixtures**. While Lessee is not in default under this Lease, and subject to other provisions of this Lease, Lessee will have the right at any time within 90 days after the expiration of this Lease to remove all property placed by Lessee on the Land, the expiration of this Lease to remove all property placed by Lessee on the Land, including the right to draw and remove all casing from oil and gas wells. If Lessee does not remove all of its property within the permitted period, then at Lessor's option, all or any part of property will become the property of Lessor, and Lessor may require Lessee to remove all property not desired by Lessor. Lessee may not remove any fences, gates, cattle guards, or roads installed by it.
- 11. **Surface Operations**. (a) Lessee agrees to pay Lessor the reasonable value of the actual damages resulting to the surface of the Land, fences, roads, tanks, structures, improvements, livestock, trees, grass, and crops caused by operations hereunder. Lessee agrees to restore the surface of the Land to as near its original condition as may be reasonably done after the completion of each operation. The restoration of the surface shall include removing all gravel, caliche, and fill material and reseeding or resodding as requested by Lessor. Before plugging and abandoning any well on the Land, Lessee must advise Lessor, and upon Lessor's request, must set a plug at the base of the deepest fresh water structure and then deliver the well to Lessor free of cost, in which event Lessor will assume responsibility for the well.
- (b) While drilling or reworking operations are being conducted, Lessee shall construct and maintain a fence around the area of operations and shall take appropriate measures to insure that only authorized persons have access to the drill site. After the completion of a well, Lessee shall construct and maintain a substantial fence around all tank batteries, separators, and other surface equipment and shall keep all gates locked and closed. Lessee shall keep all surface equipment in a good state of repair and painted as often as is necessary to maintain a good appearance. Lessee shall remove all debris, trash, unused materials, pipe, or equipment from the Land on a continuing basis. Lessee may not construct any buildings or other structures except for temporary mobile buildings utilized during drilling and completion operations. Lessee will use only low profile pumping units on the Land. Lessee shall bury all pipelines located on the Land so that the top of the pipeline is at least 60 inches below the surface.

- (c) Lessee may build and use to more than one drill site for each 40 acres of the Land. A drill site may not exceed five (5) acres during the drilling of a well and shall be reduced to not ore than one acre at all other times. Lessee must obtain Lessor prior written consent as to the location of drill sites, tank batteries, roads, pipelines, and all surface equipment. Roads and pipelines will generally follow the course of roads and fences in order to minimize the impact on the surface of the Land. Lessee recognizes that in some instances this may cause roads or pipelines to be a greater length than necessary for ingress and egress and for transporting oil or gas produced from the Land. No compressors may be located upon the Land without Lessor's prior written consent. Upon the expiration of the Primary Term, or, if this Lease is maintained beyond the Primary Term by continuous drilling, upon the expiration of the continuous drilling period, Lessee shall obtain a survey showing the location of each drill site, road, and pipeline then located on the Land and shall prepare and deliver to Lessor a release in recordable form, releasing Lessee's right to use any other portion of the surface not designated as a road, drill site, or pipeline location on the survey.
- (d) Before any drilling equipment is moved to a drill site, Lessee must build an all-weather, 6" depth caliche road to the drill site with tinhorns placed where necessary. Lessee shall maintain all roads used by Lessee in a good condition. Lessee agrees to keep the Land clean, to keep equipment painted, to fence all pits until the pits can be filled and leveled by Lessee, to repair all fences damaged by Lessee, and to restore the premises to natural condition insofar as is reasonably possible upon termination of each operation. All salt water produced from the Land must be removed by Lessee.
- (e) All pits and cellars must be filled to ten inches above groung level by Lessee within 30 days after completion of each well, If the pits or cellars are too wet to cover within 30 days after completion of a well, Lessee agrees to remove the contents of each from the Land, and to fill the pits as provided above when the ground is dry.
- (f) Water from Lessor's creeks, tanks, or wells may not be used by Lessee. If Lessor consents to the drilling of water well by Lessee, Lessor shall have free use of water produced from the well at all times the well is not being used by Lessee. When the water well is no longer being used by Lessee, it shall tender the well and all related equipment to Lessor, free of cost.
- (g) Lessee may not use sand, gravel, caliche, or any other materials from Lessor's Land in Lessee's operations.
- (h) No surface activities may be conducted on this tract of land without prior written consent of Lessor.
- 12. **Assignments.** Lessor is granting rights to Lessee that Lessor would not grant to others. Therefore, prior written approval of Lessor is required for any assignment or sublease of this Lease, which approval will not be unreasonably withheld. All assignments and subleases must require the assignee or sub lessee to assume all of Lessee's obligations under this Lease.
- 13. Force Majeure. Should Lessee be prevented by reason of Force Majeure from complying with any express or implied covenant or condition of this Lease (other than a requirement to pay money), from conducting drilling or reworking operations on the Land, or from producing oil or gas, then while so prevented, that covenant will be suspended; Lessee will not be liable for damages for failure to comply therewith; this Lease will be extended so long as Lessee is prevented from conducting drilling or reworking operations on or from producing oil or gas from the Land; and the time while Lessee is so prevented will not be counted against Lessee.

"Force Majeure" means any Act of God, any federal or state law, or-any rule-or regulation of governmental authority, or other similar cause (other than financial reasons). This paragraph is, however, in all things subject to the limitations of time during which this Lease may be continued in force by the payment of shut-in gas royalties.

14. **No Warranties**. Lessor makes no warranty of any kind with respect to title to the Land By acceptance of this Lease, Lessee acknowledges that it has been given full opportunity to investigate and has conducted sufficient

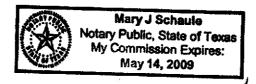
- investigation to satisfy itself as to the title to the Land, and Lessee assumes all risk of title failures. If Lessor owns an interest in the Land less than the entire fee simple estate, then the royalties payable hereunder will be reduced proportionately. Lessee, at its option, may discharge any tax, mortgage, or other lien on the Land, and in the event Lessee does so, Lessee will have the option of applying the royalties accruing to Lessor toward payment of it.
- 15. Curing Default. Should Lessee at any time fail to comply with its obligations hereunder regarding construction, maintenance, or repair within 30 days after written notice from Lessor, Lessor will have the right to do or have done whatever is necessary to fulfill the obligations to its satisfaction, and Lessee shall be liable to Lessor for the reasonable and necessary expenses thus uncured by Lessor, to be paid within ten days after Lessor furnishes to Lessee an itemized written statement of the expenses.
- 16. **Notices.** All notices will be deemed given and reports will be deemed delivered if sent by certified letter, return receipt requested, properly addressed and deposited in the United Stated Postal Service, postage prepaid, to Lessor and Lessee at the addresses shown above. Either party may designate a new address by proper notice to the other party.
- 17. **Attorney's Fees**. In the event that Lessor is required to employ legal counsel for the enforcement of any provision of this Lease and prevails, Lessor will be entitled to recover from Lessee reasonable attorney's fees and expenses incurred by Lessor.
- 18. **Insurance**. At all time while this Lease is in force, Lessee shall acquire and maintain insurance covering all of its operations on the Land, including any work performed on its behalf by contractors, subcontractors, and others, naming Lessor and related individuals and entities designated by Lessor as additional insured's. The policies shall include coverage for comprehensive general liability, for bodily injury and property damage, blowout and loss of well coverage, and coverage for any damage to the environment, including coverage for the cost of clean up and surface remediation. The coverage shall be in the minimum amount of \$5,000,000. Lessee shall furnish a certificate from the issuing insurance company or companies evidencing the coverage.
- 19. Indemnity. LESSEE AGREES TO INDEMNIFY AND HOLD HARMLESS LESSOR, AND LESSOR'S REPRESENTATIVES, SUCCESSORS, AND ASSIGNS AGAINST ALL EXPENSES, CLAIMS, DEMANDS, LIABILTIES, AND CAUSES OF ACTION OF ANY NATURE FOR INJURY TO OR DEATH OF PERSONS AND LOSS OR DAMAGE TO PROPERTY, INCLUDING, WITHOUT LIMITATION, ATTORNEY FEES, EXPERT FEES, AND COURT COSTS, CAUSED BY LESSEE'S OPERATIONS ON THE LAND OR LESSEE'S MARKETING OF PRODUCTION FROM THE LAND OR ANY VIOLATION OF ANY ENVIRONMENTAL REQUIREMENTS BY LESSEE, AS USED IN THIS PARAGRAPH, THE TERM "LESSEE" INCLUDES LESSEE, ITS AGENTS, EMPLOYEES, SERVANTS, CONTRACTORS, AND ANY OTHER PEROSN ACTING UNDER ITS DIRECTION AND CONTROL, AND ITS INDEPENDENT CONTRACTORS. LESSEE'S INDEMNITY OBLIGATIONS SURVIVE THE TERMINATION OF THIS LEASE.
- 20. **Dispute Resolutions**. In the event of a dispute under this Lease, the parties agree to attempt to resolve the dispute through good faith mediation to be held in Johnson County, Texas. If the mediation is not successful, the matter will be resolved by binding arbitration pursuant to the Commercial Rules of the American Arbitration Association at the same place. The parties shall attempt in good faith to select an arbitrator. If they are unable to agree upon a single arbitrator, each side shall select an arbitrator, and the two arbitrators selected shall select a third. A decision of two of the three arbitrators will be final and binding upon all parties.
- (b) All payments for surface damages will be made to the owner of the tract upon which the damages occur.
- 21. **Miscellaneous Provisions**. (a) In the event this Lease expires for any reason as to all or any part of the Land, Lessee shall, within 60 days thereafter, furnish Lessor with a written, recordable release covering all of the Land or that portion of the Land to be released.

- (b) Nothing in this Lease negates the usual implied covenants imposed upon Lessee.
- (c) Lessee will conduct all operations hereunder in compliance with the rules of the Railroad Commission of Texas and federal and state environmental laws and regulations. Lessee will give Lessor at least ten days prior notice in writing before conducting drilling, recompletion, or reworking operations on the Land. Upon request by Lessor, Lessee shall furnish to Lessor copies of applications to drill, daily drilling reports, well tests, completion reports, plugging records, and production reports. Lessor has the right, personally or by representative, at Lessor's risk, of access to the derrick floor to observe all operations on all wells drilled on the Land. Lessor will have the right to inspect and take samples of all cores and cuttings and witness the taking of all logs and drill stem tests, and Lessee agrees to furnish Lessor with copies of all logs and surveys taken promptly after taking them. Lessee will divulge to Lessor correct information as requested by Lessor as to each well, the production there from, and such technical information as Lessee may acquire. Lessor has the right to be present when wells or tanks are gauged and production metered and has the right to examine all run tickets and to have full information as to production and runs and to receive copies of all run tickets upon request. All hard copy or written information and data provided to Lessor from Lessee are to be considered proprietary and may not be divulged to any third party without the written consent of Lessee.
- (d) The terms "production" and "producing" mean production and producing in paying quantities. No obligation of Lessee to pay money under this Lease will be excused or delayed by reason of Force Majeure. Lessee's obligations to pay money under this Lease are to be performed in Johnson County, Texas. Paragraph headings are used in this Lease for convenience only and are not to be considered in the interpretation or construction of this Lease. The execution or ratification by Lessor of any division order, gas contract, or any other document will not alter any provisions of this Lease unless the intent to do so is expressly stated in the document. Under no circumstances may Lessee, its agents, employees, or contractors bring firearms or dogs or other animals on the Land or hunt or fish on the Land. Lessee agrees to furnish to Lessor a copy of each title opinion or report obtained by Lessee that covered all or any part of the Land together with a copy of each title curative document obtained by Lessee.
- (e) Lessor shall have the right to inspect all records of Lessee relating to this Lease, operations conducted on the Lease, the sale and marketing of production from the Lease, and the payment of royalties, including the right to audit Lessee's books insofar as they relate to the foregoing.
- (f) No seismic or other geophysical operations, other than vibrosis seismic operations, may be conducted by Lessee. No bulldozers, earth moving, or brush clearing operations, may be used in seismic operations, and Lessee must strictly comply with all federal, state, and county regulations. Surface disturbances will be minimized, and at the conclusion of the operations any surface disturbances will be restored and any debris removed. Any ruts left by the seismic operations must be filled by Lessee.
- (g) This Lease is binding upon and for the benefit of Lessor, and their respective heirs, personal representatives, successors, and assigns.

 Counterpart Language: This instrument may be executed in any number of counterparts, all of which, when taken together, shall constitute one original instrument. This Paid Up Oil & Gas Lease shall not be recorded by either party. The Parties agree that they shall execute a Memorandum of Paid Up Oil and Gas Lease and such Memorandum of Paid Up Oil and Gas Lease shall be recorded in the Official Public Records of the county in which the subject property is located.

Executed on the date first written above.

Robin D Orr, Trustee for Burleson Five Star Properties LLC
By: Rohi D. alw
THE STATE OF TEXAS §
COUNTY OF TARRANT §
THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON The day of foil , 2008 by Rob Orr of Burleson Five Star Properties LEC.
NOTARY PUBLIO OF TEXAS



Record & Return 30.
Chesapeake Operating, Eug.
P.O. Box 18496
Oklahoma City, UK. 73154



CHESAPEAKE EXPLORATION P O BOX 18496

OKLAHOMA CITY

OK 73154

Submitter: CHESAPEAKE OPERATING

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 06/19/2008 03:12 PM
Instrument #: D208236271
LSEM 10 PGS

\$48.00

D208236271

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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